

MEMORANDUM

TO: Deans, Directors, and Business Managers

FROM: David Watkins, Interim Director of Budget *DM*
Lisa Lively, Director, Financial Services *LL*
Linda Strawser, Director, Payroll and Employee Data Services *LS*
Anjali Halabe, Assistant Vice President for Finance *AH*
Joe Fisher, Interim Director, Purchasing, Contracts, and Payment Services *JF*

DATE: May 2, 2011

SUBJECT: **FISCAL YEAR END CLOSING INFORMATION FOR 2010-2011**

The purpose of this memo is to provide important dates and deadlines to effectively close out the 2010-2011 fiscal year and begin the 2011-2012 fiscal year while adhering to State law and sound accounting principles. The following information regarding year-end processing is included in the attached document:

- ☐ Section I - Definitions and General Information
- ☐ Section II - Purchase Orders & Postage, Computer Repair, and Telephone Charges
- ☐ Section III - General University
- ☐ Section IV - Health Sciences Center
- ☐ Section V - Sponsored Agreements Funds
- ☐ Section VI - Accounting for July Cycle I Payroll
- ☐ Section VII - Labor Distribution Adjustments
- ☐ Section VIII - Fringe Benefit Expenditure Cost Transfers
- ☐ Section IX - Property Management/Fixed Assets
- ☐ Section X - Financial Statements Audit Time Lines
- ☐ Section XI - Year End Close Time Lines

As noted in the attached information, the cut-off dates refer to the dates when the applicable information is to be received by the appropriate unit, e.g., Purchasing, Contracts and Payment Services. As each date approaches, we would advise you not to use mail service, but hand-deliver, where applicable, the information to the appropriate unit. Better yet, ***do not wait***.

Please see that personnel in your area who handle business and fiscal matters receive a copy of this package immediately to ensure that this information can be reviewed.

SECTION I: DEFINITIONS and GENERAL INFORMATION

Definition of Old Year Expenditures

Old year expenditures are defined as those for which service was **completed or goods received** by June 30, 2011, and **invoice received by July 6, 2011 at NOON**. Any expenditure that meets the above criteria must be posted to the 2010-2011 fiscal year.

These transactions must be approved for payment and submitted to the appropriate unit **no later than noon, July 6, 2011**.

Receiving

Receiving, either on-line or manual, on any old year service or transaction associated with a purchase order must be performed in the MAP system by **June 30** in order to have the transaction posted in the old fiscal year. The date on the receiving header document in MAP defines the fiscal year the transaction is posted. Therefore, if the merchandise or service was received in the old year, it is imperative that the receiving be done immediately to ensure proper accounting and posting. Please look at service, rental and lease agreements that should be posted to old year and perform appropriate receiving on-line in MAP. **DO NOT WAIT UNTIL YOU HAVE RECEIVED THE INVOICE TO PERFORM YOUR RECEIVING.**

IMPORTANT NOTICE: Prepayment of goods or services is a violation of WV State Code. Do NOT perform on-line or manual receiving and request an invoice be processed for payment if you have not received the goods or services.

General Processing

Please note that the cut-off dates refer to the dates when the applicable information is to be received by the appropriate unit, e.g., Purchasing, Contracts and Payment Services. As each date approaches, we would advise you not to use mail service, but hand-deliver, where applicable, the information to the appropriate unit. Better yet, ***do not wait. The sooner old year items are submitted the less likelihood of delays.***

Please start to clean up open orders, open invoices, etc. Remember that we may discover problems with your transaction. The more time you have to correct a problem, the more likely it will be recorded and paid properly.

As a general reminder to Intra-University Selling Units, please pay close attention to orders on Centrally Allocated/Appropriated funds. Spending Units should begin close tracking of projects/orders funded with reverting funds. These documents should be marked in the upper right corner, in **RED** ink, Reverting Funds or if the revised form is being used, check mark in the yes/no (as applicable) reverting fund area on form.

SECTION II:
PURCHASE ORDERS & POSTAGE, COMPUTER REPAIR, TELEPHONE & P-CARD CHARGES

Purchase order roll

All open purchase orders on non-grant budgets will be automatically continued into the 2011-2012 fiscal year. Any purchase orders that should not be continued should be cancelled in 2010-2011. The OPEN ORDER BY COST CENTER report, which can be run from the AP/PO Inquiry responsibility, will show any POs that are currently open.

Postage, Telephone, Computer Repair and P-Card Charges

Postage, Telephone, Computer Repair and P-Card charges will be recorded as follows:

- **May 2011** Postage, Telephone and Computer Repair charges will be recorded in **2010-2011**.
- **May and June 2011** P-Card charges will be recorded in **2010-2011**.
- **June 2011** Postage, Telephone and Computer Repair charges will be recorded in **2011-2012**.

SECTION III:
GENERAL UNIVERSITY
OLD YEAR OVER EXPENDITURES, BUDGET ROLL, and CENTRALLY
CONTROLLED RESOURCES

General University - Old Year Over Expenditures

Any over-expenditure of Centrally Controlled Resources in the old fiscal year will result in a corresponding reduction of the Centrally Controlled Resources budget in the new fiscal year.

General University - Budget Roll Forward

Expense budgets on General University Centrally Controlled Resources in support of old year open encumbrances will be rolled forward to the new fiscal year. This process will occur automatically after the old fiscal year is closed and will require no action on the part of the departments. Budget increases for the new year will be processed for any encumbered amount on General University Centrally Controlled Resources in the old year General Ledger at the close of the old year. This roll forward is contingent on the unit having sufficient unspent budget at year end. General University Centrally Controlled Resources can be identified by a fund number with an 1110 prefix. No other budget amounts will be automatically rolled forward.

Please note that requests to roll forward budgets on General University Centrally Controlled Resources for reasons not covered by the automatic roll-forward can be made through the Office of Budget Planning.

Expense budgets will not be increased for encumbered purchase orders supported on Non-Centrally Controlled Resources that are carried into the new fiscal year (see Section II: Purchase Order Roll). These budgets may be re-established by the budget unit by following the policies and procedures that address mid-year budget adjustments on Non-Centrally Controlled Resources.

If additional information is needed, please contact the Kevin Stuchell in the Office of Budget Planning at 293-4761.

SECTION IV:
HEALTH SCIENCES CENTER
OLD YEAR OVER EXPENDITURES, BUDGET ROLL, and CENTRALLY
CONTROLLED RESOURCES

Health Sciences Center - Old Year Over Expenditures

Any over-expenditure of Centrally Controlled Resources (Health Sciences Center) in the old year will result in a corresponding reduction of the Centrally Controlled Resources budget in the new fiscal year.

Health Sciences Center - Budget Roll Forward

Expense budgets for Centrally Controlled Resources will not automatically be re-established in the new fiscal year in support of purchase orders carried into the new fiscal year (see Section II: Purchase Order Roll). Any purchase orders funded on Centrally Controlled Resources that are carried into the new fiscal year must be funded by the unit's new fiscal year budget.

Expense budgets for Non-Centrally Controlled Resources will not automatically be re-established in the new fiscal year but may be re-established by the budget unit through the budget adjustment process utilizing the Oracle system. This process will be coordinated through the appropriate Dean's office with final approval from the Office of the Chief Financial Officer at the Health Sciences Center.

If additional information is needed, please feel free to contact the Office of the Chief Financial Officer at the Health Sciences Center at 293-2650.

SECTION V:
SPONSORED AGREEMENT FUNDS (GRANTS AND CONTRACTS)

For sponsored agreements that expire between July 1, 2010 and June 30, 2011 and that were originated from a West Virginia State Agency, all transactions must be posted to the accounting system by June 30, 2011. In order to accomplish this please deliver the documents to the appropriate office by close of business, June 28, 2011. The documents should clearly indicate "STATE GRANT AWARD - EXPIRES June 30, 2011" as shown in Attachment A. Please copy Attachment A on yellow paper so that priority transactions can be easily identified.

For all other awards that expire on June 30, 2011, please contact your representative from Sponsored Research Accounting at 293-4002, extension 5 to ensure that all appropriate transactions are recorded against that award.

Old year expenditures are defined as those for which service was **completed or goods received** by June 30, 2011, and **invoice received by July 6, 2011 at NOON**. Any expenditure that meets the above criteria must be posted to the 2010-2011 fiscal year.

For those sponsored agreements ending by June 30, 2011, please ensure that any subcontract work is

completed and final paperwork submitted **no later than noon, July 6, 2011** to ensure sponsor reimbursement for these expenditures. Any final paperwork received after that date run the risk of these transactions not being included on the final invoices and therefore non-payment by the sponsors. If there are any anticipated problems with subcontracts, please contact your representative in Sponsored Research Accounting.

These transactions must be approved for payment and submitted to the appropriate unit **no later than noon, July 6, 2011**. As a general rule, budgets will not be overridden to post old year expenditures.

The deadline for MyTime signoffs for July Cycle I payroll is **2:00 PM on July 5, 2011**. Departments are encouraged to meet the MyTime deadline for signoff. Otherwise, reimbursement from the sponsored agency may not be possible.

Open orders, open invoices, etc. should be cleaned up as soon as possible. Any problems with transactions should be reported to Sponsored Research Accounting immediately to ensure adequate time for proper resolution.

<i>SECTION VI:</i> <i>ACCOUNTING FOR JULY CYCLE I HOURLY/IN ARREARS PAYROLL</i>
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The deadline for MyTime signoff is **2:00 PM on July 5, 2011**. All payroll expenses for the July Cycle I payroll will be posted to the General Ledger and Grants modules in fiscal year 2011-2012 at the departmental level. All transactions for West Virginia State Agency sponsored agreements, that expire between July 1, 2010 and June 30, 2011, must be posted to the accounting system by June 30, 2011. A listing of these awards will be distributed to the respective business offices as in previous years. To account for July Cycle I Arrears payroll in the final invoices to the sponsoring agencies, please contact the appropriate Sponsored Research Accounting representative for your college.

<i>SECTION VII:</i> <i>LABOR DISTRIBUTION ADJUSTMENTS</i>
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Considering it is the month end, year end and the beginning of a new pay cycle in the HRMS/LD system and to avoid any problems with adjustments “kicking” for invalid accounting periods, please have any distribution adjustments you need to make for fiscal year 2010-2011 (old year) entered and approved by **NOON on June 29, 2011**. All access to define LD adjustments will be revoked during the 13th month period. No LD adjustments will be processed during the 13th month period. All access to the LD module will be restored after the 13th month is closed (July 8) and normal activity may resume.

***SECTION VIII:
FRINGE BENEFIT EXPENDITURE COST TRANSFERS***

All necessary fringe cost transfers resulting from labor distribution adjustments for fiscal year 2010-2011 payroll expenditure items must be processed before the year end deadlines established by Purchasing, Contracts and Payment Services. These transfers should be completed to ensure that the fringe benefit expenditures are posted to the proper accounts. The procedures for completing fringe cost transfers and scenarios for Intra-University transfers can be found at the following intranet website:

http://financialservices.wvu.edu/ccpm/cca/fringe_rates

Any questions regarding these fringe cost transfers should be directed to Gerald Weimer at Gerald.Weimer@mail.wvu.edu (293-8495).

***SECTION IX:
PROPERTY MANAGEMENT/FIXED ASSETS***

All Asset Acquisition forms, Equipment Fabrication/Modification Forms, and Equipment Disposal/Surplus Forms should be completed and submitted to Property Management/Fixed Assets Accounting by **June 30, 2011**. Copies of invoices for equipment purchases made on procurement cards should be submitted to Property Management/Fixed Assets Accounting by **June 30, 2011** so the proper additions can be made.

***SECTION X:
FINANCIAL STATEMENT AUDIT TIME LINES***

The issuance date for West Virginia University's audited financial statements and final audit report for fiscal year 2011 is October 1, 2011. Please note the following critical dates (estimated) related to the financial statement audit:

D&T (external audit firm) to commence year end fieldwork at WVU	August 22, 2011
Delivery of final version of financial statements to D&T	September 16, 2011
Issuance of WVU's final audit report	October 1, 2011

As part of the financial statement preparation process, memos requesting specific financial information and containing critical due dates will be sent out to the departments in the first week of May 2011. Information to be requested includes the following:

- Copies of lease agreements (capital or operating leases) entered into in the 2010-2011 fiscal year
- Detail on capital projects with a budget over \$25,000 (only those projects not handled through Facilities and Services)

- Detail (including supporting documentation) of any assets and liabilities not recorded in MAP by year end close (for example – Inventories, Prepaid Expenses, Accounts Receivable, Accounts Payable, Deferred Revenues, Deposits)

Please provide the required information to the Accounting unit by the dates requested to ensure timely completion of the audit.

<i>SECTION XI:</i> <i>YEAR-END CLOSE TIME LINES</i>
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<u>DATE</u>	<u>DESCRIPTION</u>
May 13	<u>Last day</u> * for departments to submit requisitions greater than \$25,000 to Purchasing, Contracts and Payment Services for bidding in order to have a purchase order issued and goods received prior to June 30. (Caution: long lead delivery items may require earlier submission.)
June 14	<u>Last day</u> * for departments to submit invoices and departmental refunds to Purchasing, Contracts and Payment Services for normal check cutting flows. (Checks will be delayed for invoices submitted between noon on June 14 and July 6.) IMPORTANT NOTICE: Prepayment of goods or services is a violation of WV State Code. Do NOT perform on-line or manual receiving and request an invoice be processed for payment if you have not received the goods or services.
June 10	<u>Last day</u> * for departments to submit requisitions for old year obligations or requisitions for change orders between \$1,000 and \$25,000
June 28	<u>Last day</u> * for departments to hand deliver transactions of any kind to post against sponsored agreements (grants and contracts) expiring prior to July 1, 2011 <u>and</u> funded by a West Virginia State Agency.
June 29	<u>Last day</u> for departments to enter and approve labor distribution adjustments for old year – 2:00 PM.
June 30	<u>Last day</u> * for departments to deposit old year revenue. Miscellaneous Receipts must be received by the department responsible for keying (for example, Revenue Services, Office of Student Accounts, Student Affairs Business Operations) by noon. Revenue received in these offices after noon on June 30 will be recorded as new-year revenue on July 5.
June 30	<u>Last day</u> * for departments to complete and submit all Asset Acquisition forms, Equipment Fabrication/Modification Forms, and Equipment Disposal/Surplus Forms to Property Management/Fixed Assets.
June 30	<u>Last day</u> * for departments to submit copies of invoices for equipment purchases made on procurement cards to Property Management/Fixed Assets Accounting.
June 30	<u>Last day</u> * for departments to hand-deliver cancellations on old year requisitions/purchase orders for State Appropriated funds to Purchasing, Contracts and Payment Services.

Any State Appropriated orders that are not received by June 30, 2011 and invoice received by **NOON on July 6, 2011**, will be canceled based on the year-end close time lines.

June 30 **Last day*** to receive old year goods and services either on-line or manually.

Note: Any receiving done after June 30, 2011 will be posted as a new year transaction.

July 1 Do not key Miscellaneous Receipts.

July 5 **First day** to key new year Miscellaneous Receipts.

July 5 **Last day*** for MyTime signoff for July Cycle I payroll – **2:00 PM**.

July 6 **Last day*** for departments to return incorrect payroll checks to Payroll for correction of department funding using Budget Fiscal Year 2011 funds.

July 6 **Last day*** for departments to submit documents to the appropriate office for payment of transactions which occurred prior to July 1, 2011 is **July 6 - NOON**. Receiving must be done for all fiscal year 2010-2011 transactions on or before June 30, 2011.

July 1 - July 8

Old year expenditure reductions (excludes grant expenditure reductions) must be hand-delivered to Revenue Services. Identify old year expenditure reductions by marking "OLD YEAR" on top of Miscellaneous Receipts. Expenditure reductions received **after 11:00 AM on July 8** will be recorded as new-year expenditure reductions.

July 9 Departmental reports for old year (CLS-10) can be generated.

*** Last day means that documents must be received in the appropriate department by noon of that business day unless indicated otherwise. PLEASE DO NOT MAIL THEM. THEY MUST BE HAND DELIVERED!**

SPECIAL NOTES

Sponsored agreements with a June 30, 2011, ending date should be carefully reviewed. Due dates listed above are required to be met by the Principal Investigator and their Business Office. Please share this information with all appropriate parties.

As a general reminder to Intra-University selling units, pay close attention to orders on Centrally Allocated/Appropriated Funds. Spending units should begin close tracking of projects/orders funded with reverting funds. These documents should be marked in the upper right corner, in **RED** ink, "Reverting Funds."

To assure prompt processing, please hand-deliver all invoices to Purchasing, Contracts and Payment Services. This includes intra-university requisitions, all travel documents, essential service invoices, purchase order and contract invoices.

Contacts, if you have questions, for the various modules are:

Payroll	Linda Strawser	linda.strawser@mail.wvu.edu	293-4336
LD	Kimberly Poling	kimberly.poling@mail.wvu.edu	293-6877
General Ledger	Kathy Day	kathy.day@mail.wvu.edu	293-8766
Property Management/Fixed Assets	Jaime Bunner	jaimie.bunnner@mail.wvu.edu	293-3539
Grants/Sponsored Agreements	Vince Alvarez	vince.alvarez@mail.wvu.edu	293-6664
AR/Revenue/Cash Issues	Phil Sperry	phil.sperry@mail.wvu.edu	293-2672
Fringe Expenditures	Gerald Weimer	gerald.weimer@mail.wvu.edu	293-8495
Budget	Kevin Stuchell	kevin.stuchell@mail.wvu.edu	293-4761
Travel and Essential Services Invoices, P-Card	Cheryl Taylor	cheryl.taylor@mail.wvu.edu	293-8471
Vendor Registration and PO Invoice Questions	Donna Sisler	donna.sisler@mail.wvu.edu	293-7694
Intra-Us	Jeannie Phillips	jeannie.phillips@mail.wvu.edu	293-6680
Purchasing, Contracts and Payment Services	Jim Bennett	jim.bennett@mail.wvu.edu	293-4232

**STATE GRANT AWARD
EXPIRES June 30, 2011**

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